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17th January 2022

**National Grid ESO response to Ofgem Statutory Consultation on modifications to the RIIO-2 Transmission, Gas Distribution and Electricity system Operator licence conditions**

Dear Dale

We welcome the opportunity to respond to the statutory consultation on modifications to the RIIO-2 licence conditions.

National Grid ESO is the Electricity System Operator for Great Britain. We move electricity around the country second-by-second to ensure that the right amount of electricity is where it's needed, when it's needed – always keeping supply and demand in perfect balance.

We agree with the implementation of the package of proposed changes. There are some amendments we have noted to ensure accuracy and consistency which have been summarised in the table in Appendix 1 included with this response.

We would be very happy to discuss further any of the points raised. Should this be helpful please contact Laura Thomson ([laura.thomson@nationalgrideso.com](mailto:laura.thomson@nationalgrideso.com)) in the first instance.

Yours sincerely

Gareth Davies

ESO Regulation & RIIO Senior Manager, Electricity System Operator

## Appendix 1 – Proposed Amendments

Table 1 – Comments and proposed amendments

Document Reference	Consultation Wording	NGESO Comment (and Suggested Wording)
<b>PCFM Page 19, Clause 2.61</b>	A clause has been inserted which reads 'Revising the value of LARt prior to charge setting does not require a re-publication.'	This should be SOLARt instead of LARt and should read 'Revising the value of SOLARt prior to charge setting does not require a re-publication.'
<b>PCFM Page 19, Clause 2.62</b>	This clause has been updated to reflect the re-numbering of earlier clauses and now reads 'A notification under paragraph 2.6 of this Handbook must include the following'	The clause referred to is 2.60 so the wording should read 'A notification under paragraph 2.60 of this Handbook must include the following'
<b>Special Conditions – ESO, Page 104 of 107, Clause 5.2.4</b>	In the PCFM, the dates have been amended to the 31 August from 31 July.	To be consistent with the proposal to change the submission date of the PCFM Licence Condition 5.2.4 needs to be amended to reflect the change in date from 31 July to 31 August.  Proposed wording is 'Step 1: The licensee must, by 31 August prior to each Regulatory Year,'
<b>Standard Conditions – ET, Pages 120-122, Part D: Interpretation</b>	Definitions have been amended or added.	These would be easier to read if they were laid out with a line break between each definition.